

Senate File 2355 - Reprinted

SENATE FILE 2355
BY COMMITTEE ON STATE
GOVERNMENT

(SUCCESSOR TO SF 2219)

(As Amended and Passed by the Senate March 7, 2018)

A BILL FOR

1 An Act providing for an audit, accounting, and appraisal of the
2 Iowa communications network.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. AUDIT, ACCOUNTING, AND APPRAISAL OF IOWA
2 COMMUNICATIONS NETWORK.

3 1. The state auditor or an independent third party selected
4 by the state auditor shall conduct a comprehensive audit and
5 accounting of the Iowa communications network to include the
6 following components:

7 a. A complete financial audit of the network for the period
8 beginning July 1, 2015, and ending July 1, 2018, to identify
9 the revenues and expenses of the network and verify that
10 charges were properly made to all existing authorized users and
11 booked accurately by such authorized users and the network.

12 b. A complete inventory audit of all components included
13 in the network, including telecommunications-related and
14 non-telecommunications-related property or equipment. Such
15 inventory shall identify the age and condition of property
16 or equipment purchased or leased by the commission for the
17 operation of the network and verify physical connections to
18 current authorized users.

19 c. Information identifying and quantifying the amounts
20 billed for services performed by the network to current
21 authorized users.

22 d. Information identifying all current authorized users and
23 business units of the network.

24 e. Information identifying the duration, terms, and
25 conditions of all third-party contracts and leases entered into
26 by the network, including but not limited to any obligations
27 of the state that may survive a sale, lease, or transfer of any
28 network assets or services.

29 2. Following the completion of the comprehensive audit
30 and accounting required pursuant to subsection 1, the Iowa
31 telecommunications and technology commission shall select an
32 independent appraisal firm to conduct an appraisal of the
33 network and determine the current market value of the assets
34 listed in the audit and accounting. The independent appraisal
35 firm shall be selected through a competitive bidding process

1 not associated with the network or any of its vendors.

2 3. The results of the audit, accounting, and appraisal of
3 the network conducted pursuant to this section shall be made
4 available to the public on an internet site maintained by the
5 commission.

6 4. The audit, accounting, and appraisal of the network
7 conducted pursuant to this section shall be completed no later
8 than December 21, 2018.